(c) whether it is also a fact that Government have decided not to conduct raids at the residential premises; if so, what are the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI) : (a) and (b) Government have formulated Ground Rules regarding searches to be carried out under Income-tax, Customs & Central Excise Acts and the FERA. A copy of the Ground Rules is placed on the Table of the House. [*See* Appendix CXXXVIII Annexure No. 14]

(c) No, Sir.

Request made by mills in Coimbatore to charge less interest rate during closure

705. SHRI BIR BHADRA PRATAP SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that some mills of Coimbatore in Tamil Nadu have represented to Government for scaling down rates of interest charged by Syndicate Bank and the Bank of Madura during the closure period of the mills;

(b) if so, what action Government have taken thereon;

(c) whether it is a fact that a High Level Committee has suggested not to charge interest for the closure period of the mills in Coimbatore; and

(d) if so, what are the reasons for not implementing the recommendation of this High Level Committee and whether Government propose to take decision in accordance with the above Committee, and if not, what are the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI) : (a) to (d) The Reserve Bank of India has reported that one of the mills of Coimbatore viz. Madhu Spinning & Weaving Mills, which was financed by the Syndicate Bank and Bank of Madura had represented to the State Government of Tamil Nadu for scaling down the rate of interest charged by the Banks during its closure period. A committee set up by the State Government had recommended *inter-alia* for the waiver of interest for the closure period. The financing banks had also examined the proposal and viability of the unit. Taking into account relevant factor, they found that the mill was potentially viable and was capable of servicing the loans and hence no waiver for the interest was granted.

Public Distribution System in States

706. SHRI BIR BHADRA PRATAP SINGH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that despite Central Government's directives to various State Governments, the scheme for a proper public distribution system has not been handled or organised so as to ensure proper supplies of all essential commodities to the consumers in most of the States;

(b) whether the States of Uttar Pradesh particularly its eastern region, Bihar and West Bengal lack organisational support, logistic planning and easier access of the consumer to fair price shops; and

(c) what steps are being proposed to be taken to improve the working of such fair price shops effectively in those States and particularly in the eastern region of the State of Uttar Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI AJIT PANJA) : (a) No, Sir.